

Departmental Offices
Strategic Business Plan
FY 1997 - FY 2002



Executive Direction

Fiscal and Financial Services

Tax and Economic Policies

Enforcement

International Affairs

Treasury wide Management

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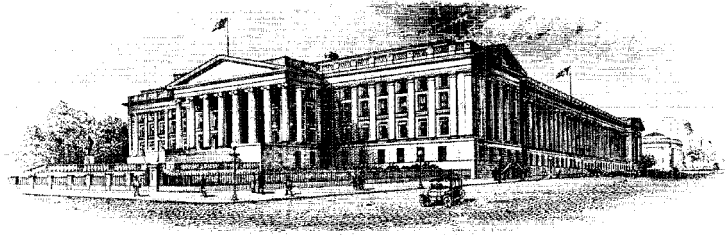
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MESSAGE FROM THE DEPUTY ASSISTANT SECRETARY (ADMINISTRATION)

It is my pleasure to present this FY 1997-2002 Strategic Business Plan for Departmental Offices. Departmental Offices is essentially the Office of the Treasury Secretary, and it functions operationally in a manner similar to other Treasury bureaus. At Departmental Offices, key policies that affect domestic and international economics, law enforcement, and general management of the Treasury Department are developed, implemented, and analyzed. Because of the inherent policy nature of Departmental Offices, that includes oversight responsibility over many of the Treasury bureaus, this Plan in many ways resembles the FY 1997 through 2002 Overview Strategic Plan for the Treasury Department.

Overview of Strategic Planning Efforts

The Government Performance and Results Act (GPRA) requires a close tie between strategic planning, annual performance plans, and allocated resources. GPRA has set the stage for federal government to monitor performance, display progress and achievement, and show that resources have been used wisely.

Substantial growth in the development and refinement of strategic goals, annual goals and performance measures occurred throughout Departmental Offices, and Treasury as a whole, during 1997. Departmental Offices realigned budget activities for 1998 (and beyond) to match the primary business lines of the organization, developed strategic goals supportive of Departmentwide strategic goals, and developed annual performance goals and measures. The core business lines, which are discussed below, cover all of Departmental Offices' policy, oversight, and management programs, fostering increased accountability for goal achievement and resource planning and usage, in the context of daily operations. Each office must now ensure their goals are successfully met and that results are measured in a supportable and auditable manner.

Departmental Offices, along with the other Treasury bureaus, develops its annual performance plan and report as part of its annual budget request where the resource requirements for each core business area are displayed with supporting annual performance goals, measures, and targets that link to the goals of this Strategic Business Plan and the Treasurywide Strategic Plan. In addition, Departmental Offices makes use of the Accountability Report (management discussion and analysis section of annually audited financial statements) to report on program and financial performance. Explanations of any differences between planned and actual performance are provided in both documents.

DEPARTMENTAL OFFICES' STRATEGIC BUSINESS PLAN

Departmental Offices' **SIX CORE BUSINESS AREAS:**

- ✓ Executive Direction
- ✓ Fiscal and Financial Services Policies and Programs
- ✓ Tax and Economic Policies and Programs
- ✓ Enforcement Policies and Programs
- ✓ International Affairs Policies and Programs
- ✓ Treasury-wide Management Policies and Programs

The Office of Administration provides **enabling support services** necessary to successfully implement the strategic goals of our six core business areas. These services include financial management, procurement, automated systems, printing and graphics, buildings management, and a variety of other administrative support and advisory services. The costs and personnel required to provide these services are spread back to the offices served, to provide a more accurate picture of total costs for the six core business areas.

The following pages provide Departmental Offices' mission, vision for the future, strategic goals, and enabling support services objectives.

/// signed ///
Alex Rodriguez
Deputy Assistant Secretary (Administration)

9-30-97
Date

DEPARTMENTAL OFFICES' STRATEGIC BUSINESS PLAN

OUR MISSION: The mission of Departmental Offices is to formulate and oversee implementation of domestic and international financial, tax, economic, enforcement, and management policies of the Federal government. These policies are formulated and implemented to ensure the growth and stability of the US economy; strengthen the recognition of the US as a world leader; promote domestic and international security and prosperity; and ensure the program, financial, and information technology effectiveness, efficiency, and integrity of all Treasury organizations.

The mission of Departmental Offices is carried out on behalf of the Secretary of the Treasury by the Deputy Secretary, three under secretaries, ten assistant secretaries, the Treasurer, and the General Counsel (see organizational structure on last page of this document.) These officials and their staffs provide professional policy and program management support to the Secretary relative to:

- recommending and implementing United States domestic and international financial services, economic, tax, fiscal, and law enforcement policy;
- managing the development of financial policy, governing fiscal operations of the government, and managing the public debt;
- representing the United States on international monetary, trade and investment issues;
- overseeing Treasury Department overseas operations;
- overseeing the Treasury Department's regulatory functions relative to international trade, depository institutions, domestic consumption of alcohol and tobacco, and sale of firearms and explosives.
- maintaining foreign assets control;
- setting policy for, directing, and overseeing the general internal program, financial, and information technology management operations of the Treasury Department.

OUR VISION: We will develop, promote, and implement domestic and international financial, economic, and tax policies that strengthen the US economy. We will develop, promote, and implement enforcement policies that reduce crime and acts of terrorism.

We will provide thorough, timely, and accurate legal advisory services to the Secretary and Departmental policy and administrative officials.

We will provide exemplary Department-wide management products and services in the areas of: strategic planning; financial information, reporting and program accountability; entrepreneurship; business processes and operations; information technology; equal opportunity; and customer service.

OUR CUSTOMERS: Our Customers, to whom we provide a service or product, include: the 11 Treasury bureaus; the Office of Inspector General; the Financial Crimes Enforcement Network; most major Federal departments and agencies; financial markets participants; the International Financial Institutions (IFIs); Federal, state, local, and international law enforcement organizations; the Office of Management and Budget (OMB); the Congress; and American taxpayers.

OUR STAKEHOLDERS: Our stakeholders, those who have a vested interest in our services, products, or policies include: the Congress; OMB; financial markets participants (financial institutions, consumer groups, financial regulatory agencies); the IFIs; Federal, state, local, and international law enforcement organizations; and the American taxpayers.

OUR STRATEGIC GOALS:

The strategic goals of our six core business areas are provided below.



Executive Direction

This core business area includes the immediate offices of the Secretary, Deputy Secretary, Chief of Staff, Executive Secretary, Assistant Secretary (Legislative Affairs and Public Liaison), Assistant Secretary (Public Affairs), the General Counsel, and Intelligence Support. These offices set policy and provide professional support to the Secretary, Deputy Secretary, and Treasury and Departmental policy officials. In support of the Treasurywide objective to **Improve Management Operations**, the Executive Direction core business area has developed the following strategic goals.

Executive Direction Goal 1: Coordinate the review and analysis of all written material going to and coming from the Secretary and Deputy Secretary.

Measure: Client Satisfaction

Strategy: Organize and manage the flow of all written material to ensure consensus among relevant offices and help accomplish the priorities of the Department.

Executive Direction Goal 2: Coordinate the review and analysis of Treasury-wide policy issues effectively and efficiently.

Measure: Responses given within one week.

Strategies:

- Bring relevant officials together on cross-cutting issues to develop policies and resolve outstanding matters.
- Coordinate the presentation of policy operations to the Secretary and Deputy Secretary for decision-making purposes.

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- Ensure the completion of responses from policy officials to White House requests within one week.
- Ensure timely submission of budget and other documents to the Office of Management and Budget.
- Ensure timely response to Congressional requests.

Executive Direction Goal 3: Provide timely and high quality legal advisory services to the Secretary of the Treasury and Departmental policy and administrative officials.

Measures: Client satisfaction
Number of days it takes to review regulations after receipt

Strategies: Increased integration of the General Counsel offices to achieve:

- maximum utilization of legal resources and greater efficiency;
- improved systems for handling litigation and regulatory matters;
- increased emphasis on "preventive lawyering," especially in the ethics area; and
- a continuous emphasis on recruiting, retaining, and training high quality legal professionals.

Executive Direction Goal 4: Effectively and efficiently communicate issues and priorities of public interest to our customers through the media.

Measure: Percentage improvement over baseline to be determined by survey results.

Strategies: Work with policy offices and media to receive, interpret, and transmit facts and positions of importance by:

- disseminating fact sheets and press releases;
- arranging interviews, press conferences and briefings;
- advising officials in the Treasury Department how best to communicate Treasury and Administration policies; and
- using advances in technology in order to communicate through the media in the most efficient way.

Executive Direction Goal 5: Alert and inform the Secretary and other senior Treasury officials by providing timely, relevant intelligence information.

Measure: Customer Satisfaction

Strategy: Using all available information resource tools, act as the focal point for intelligence matters through constant review and analysis of news events, and fast dissemination of facts to appropriate personnel.

Executive Direction Goal 6: Efficiently provide information and advice to Treasury Officials on legislative initiatives and issues of public interest, acting as Treasury's liaison and advocate to the Congress and public constituencies.

Measures: Turnaround time in responding to Congressional requests for information.

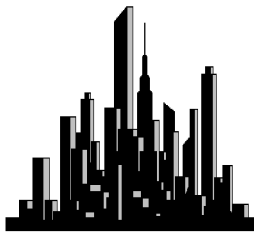
Percentage improvement to be determined by baseline survey results.

Strategy: Efficiently monitor relevant information on issues and legislation to:

- notify, inform, and educate Treasury officials;
- advise Treasury officials of appropriate action; and
- advocate for the Department's priorities to the Congress and public constituencies (including businesses, trade organizations, inter-governmental offices and the general public).

Key External Factors Affecting Goal Achievement:

- Cooperation of stakeholders.
- Inter-agency coordination.
- Effective communication with OMB staff.
- Effective communication with Congressional staff.
- Media interest in Treasury policies and initiatives.
- Advanced legislative tracking and reference tools, and advanced technology must be available to support operations.



Fiscal and Financial Services Policies and Programs

This core business area includes the immediate office of the Under Secretary (Domestic Finance), the Assistant Secretary (Financial Institutions), the Assistant Secretary (Financial Markets), the Fiscal Assistant Secretary, the Deputy Assistant Secretary (Financial Institutions Policy); the Deputy Assistant Secretary (Community Development Policy), and the Director of the Community Development Financial Institutions Fund.

The mission of the Fiscal and Financial Services Policies and Programs Activity is to develop policies and provide guidance to the Secretary, Deputy Secretary, and other decision-makers, to ensure: the federal government's fiscal policy is accurate, timely, and minimizes risk; and the nation's financial system (including financial markets) is equitable, efficient, safe and sound.

Strategic Fiscal Goal 1: Ensure all Federal payments are accurate and timely; and

Strategic Fiscal Goal 2: Ensure that the government's cash management minimizes risk and provides immediate flow and balance information.

Annual Fiscal Performance Goal: Ensure that the management of the Federal government's cash: (i) provides minimum operational cash needs; (ii) maximizes short-term investments; (iii) minimizes risk; and (iv) provides immediate flow and balance information.

Measures: Maintain daily minimum cash and maximum investment to the satisfaction of the Financing Group.

Ensure no federal monies are lost through inadequate policies and/or oversight.

Strategies:

- Ensure proper and effective oversight of bureau operations.
- Use new technologies to collect receipts promptly and reduce cash management costs.
- Improve Treasury's ability to forecast the government's cash flows through new centralized electronic systems.
- Identify incentives for agency compliance with cash management standards.
- Obtain clean consolidated financial statement audit opinions.

Strategic Fiscal Goal 3: Provide accurate and timely financial information and support the government-wide implementation of accounting standards.

Annual Fiscal Performance Goal: Provide decision-makers and other stakeholders with timely, concise, and thorough policies, guidance, and analysis in the areas of fiscal policy and operations.

Measure: Overall rating on stakeholder survey.

Strategies:

- Exert leadership in the preparation of the Government-wide Consolidated Financial Statements by facilitating agency compliance with the provisions of the Government Management and Reform Act of 1994, requiring accurate and timely audited financial information.
- Strengthen systems used to collect information on government receipts, disbursements and public debt and ensure prompt and accurate reporting.
- Establish and maintain a high degree of systems integrity and internal controls that assures that the systems provide complete, secure, and accurate financial information.
- Continue to increase the accuracy, timeliness, and quality of the audited statements for the Bureau of Public Debt (BPD), Internal Revenue Service (IRS), and Financial Management Service (FMS), due to the critical, material nature of these Treasury entities for increasing the credibility of the annual audit of the Federal Government's financial position.

Strategic Financial Services Goal 1: Promote fair and efficient delivery of credit and other financial services and help bring residents of distressed communities into the economic mainstream;

Strategic Financial Services Goal 2: Improve and modernize the US financial system;

Strategic Financial Services Goal 3: Promote the integrity and efficiency of the nation's financial markets; and

Strategic Financial Services Goal 4: Provide an economic and government financial policy perspective on all relevant governmental issues.

Annual Financial Services Goal: Provide decision-makers and other stakeholders with timely, concise, and thorough policies, guidance, and analysis in the areas of: financial institutions; financial regulation; the equitable and efficient delivery of financial services; the

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availability of credit; financial crimes; federal debt finance; capital markets; the privatization and sale of government assets; and any other issues related to domestic finance.

Measures: Overall rating on stakeholder survey.
Index of policies, guidance, and studies delivered on time.
Percent of cleared Congressional, Secretarial, and constituent correspondence on monthly Executive Secretary report.

Strategies:

- Monitor the effectiveness and, along with other regulatory agencies, the enforcement of the Community Reinvestment Act.
- Monitor government-sponsored enterprises' mission fulfillment, especially in meeting housing goals and similar targets established for providing credit to distressed communities.
- Participate in interagency efforts to coordinate enforcement of fair lending laws.
- Provide grants, loans, equity investments, and technical assistance to community development financial institutions through the Community Development Financial Institutions (CDFI) Fund.
- Advance micro-enterprise development in the United States through the CDFI Fund's Presidential Awards for Micro-Enterprise Development, and through interagency coordination of federal micro-enterprise programs.
- Educate the public about recently enacted tax incentives designed to improve the prospects for economic growth in distressed areas and increase job opportunities for low-income workers, such as the Brownfields tax incentive, second round of Empowerment Zones, welfare-to-work tax credit, and continue to explore other such policies.
- Help develop, over the long term, a secondary market for community and economic development loans to enhance liquidity and market performance.
- Help bring all Americans, including the "unbanked", into the financial services mainstream through "EFT 99" and other Treasury regulatory policies and programs.
- Encourage the private sector to provide business mentoring to small businesses in distressed communities.
- Formulate community development finance policies and other capital and credit access initiatives.
- Work with other Federal agencies to develop policies to move families from welfare to work.
- Develop the Administration's policy positions and legislative proposals regarding the structure, activities, safety, and regulation of financial institutions.
- Provide technical support to Congressional staffs in developing legislation that will encourage competition in financial services, protect consumers, and safeguard the public's interest in a sound financial system.
- Monitor the health of the federal deposit insurance system and provide analyses and proposals to reform the system.
- Participate in the development of the Administration's policy positions on, and legislative proposals regarding, government-sponsored enterprises; including the Student Loan Marketing Association, Federal Home Loan Bank System, Federal National Mortgage

Association, Federal Home Loan Mortgage Corporation, Farm Credit System, and Federal Agricultural Mortgage Corporation.

- Draft studies on financial institutions and financial markets, as requested by the Secretary and the Congress.
- Monitor financial market, technological, and regulatory developments related to electronic money.
- Monitor the financial condition and activities of the Federal Agricultural Mortgage Corporation, and the Student Loan Marketing Association.
- Initiate Treasury regulations under the Government Securities Act, and the uniform offering circular for marketable Treasury securities, to maintain the integrity of Treasury securities auctions and provide appropriate investor protection.
- Review and report on Federal financial regulatory initiatives.
- Assist in the clarification and improvement of legislation affecting financial markets.
- Coordinate regulatory oversight of financial markets through the President's Working Group on Financial Markets.
- Develop and implement policies to promote the integrity and efficiency of the nation's financial markets.
- Work with other government agencies to ensure that Administration policies and proposals conform to sound government financial policy.
- Establish partnerships with the Chief Financial Officers Council, Federal Credit Policy Working Group, and other appropriate organizations to identify and articulate government-wide financial policies.
- Train Federal employees in sound economic and government financial policies.
- Improve analytic capability and access to relevant data sources, including improving knowledge of research in relevant fields, staff recruiting, and computer access to data, cooperating with other agencies as needed.

Strategic Financial Services Goal 5: Assist and provide financial guidance to other Federal agencies on privatizing assets and operations in a manner that protects the interests of taxpayers.

Annual Financial Services Goal: Assist and provide financial guidance to other Federal agencies on privatizing assets and operations in a manner that protects the interests of taxpayers.

Measure: Overall rating on survey of Federal agencies that Financial Services has assisted during the previous fiscal year.

Strategies:

- Establish an Office of Privatization at the Treasury Department.
- Work with other agencies to develop the Administration's policy position on, and legislative proposals regarding, the privatization of surplus Federal assets and operations.
- Establish partnerships with the CFO Council, Federal Credit Policy Working Group and other appropriate organizations to identify and articulate government-wide financial policy issues.
- Train Federal employees in the most efficient and effective methods of transferring government ownership.

Strategic Financial Services Goal 6: Finance the federal government in the most cost-effective manner over the long-term.

Annual Financial Services Goal: Finance the federal government in the most cost-effective manner over the long-term by giving market participants sufficient lead time.

Measures: Index of issuing borrowing policies and borrowing requirements to financial markets participants in a timely manner (based on an *ex post* analysis of market reaction.)
Index of calculating interest rates within one day of required pricing date.

Strategies:

- Conduct financing operations, including the issuance of both conventional securities and new products such as the inflation-indexed securities, in the most effective and least disruptive manner.
- Inform market participants of Treasury borrowing policies, borrowing requirements and any changes thereto on a timely basis.
- Increase the attractiveness of non-marketable Treasury securities, such as US savings bonds, using easy to access investments for potential purchasers.
- Maintain safe and secure electronic systems to hold and transfer Treasury securities, such as automating the announcement, auction, and issuance of commercial securities.

Strategic Financial Services Goal 7: Continue to explore mechanisms for maintaining the integrity of US coin and currency.

Annual Financial Services Goal: Maintain the integrity of the US coin and currency by reducing the amount of counterfeit in circulation.

Measure: Percent change in the estimated amount of counterfeit passed through the banking system and detected by the Federal Reserve as a percent of all currency outstanding (note: this measure is greatly affected by outside factors.)

Strategies:

- Design, develop, and issue redesigned US currency, incorporating an array of security features in the ink, paper, and design of the currency.
- Design, and implement worldwide, multi-lingual and multi-media public education campaigns to coincide with the issuance of redesigned US currency.
- Work with the Advanced Counterfeit Deterrence Steering Committee, which is comprised of Departmental Offices, Secret Service, Bureau of Engraving and Printing, and the Federal Reserve staff, to monitor counterfeiting activities and develop appropriate strategies.
- Establish and work with the Securities Technology Institute at the Applied Physics Lab at the Johns Hopkins University to design, test, and develop next-generation security features for US currency.
- Organize and implement legislatively mandated audits of US currency use and counterfeiting overseas. As part of this effort, joint Treasury, Secret Service, and Federal Reserve teams

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will meet with and discuss pertinent issues with US embassy and foreign government, law enforcement, and financial institution officials.

Key External Factors Affecting Goal Achievement:

- Systems capabilities/compatibility. Technology and systems capabilities/ compatibility of Treasury and Federal agencies could be a problem in certain instances. It will be important to obtain acceptance by Federal agencies for the modernization of their financial systems consistent with a compatible government-wide platform.
- Compatibility. Treasury cash management systems may need to be reconciled with new private-sector payment and collection techniques.
- Transmission of financial data. Agencies that provide financial data to Treasury, for consolidated Government-wide financial statements, must be able to have or access modern systems to do so in a timely and accurate manner.
- Economic activity and performance. The performance and conditions of the economy will influence and affect most of the above objectives to some degree.
- Changes in the financial services industry. Competitive pressures, consolidation of financial institutions, development of new products and services, and other changes in the market will impact efforts to improve and modernize the US financial system.
- Rapidly-changing technology may affect the operation and risks of the US payments system and the flow of savings into financial institutions.
- Market conditions affect demand and interest rates.
- Advances in reprographic technology is becoming more affordable and widely used, thereby broadening the counterfeiting threat.



Tax and Economic Policies and Programs

This core business area includes the offices of the Assistant Secretary (Tax Policy) and the Assistant Secretary (Economic Policy).

Tax Policy develops and implements tax policies and programs; provides official estimates of all Government receipts for the President's Budget, fiscal policy decisions, and cash management decisions; reviews regulations and rulings to administer the Internal Revenue Code; negotiates tax treaties for the United States; and provides economic and legal policy analysis for domestic and international tax policy decisions.

Strategic and Annual Tax Goal 1: Improve and simplify tax laws and administrative guidance, consistent with other important tax policy goals.

Measure: The timeliness and soundness of policy advice and analysis provided regarding Internal Revenue Code improvement and simplification, including recommendations for change, and completion of a reasonable amount of guidance to complement previously enacted legislation.

Strategies:

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- Work within the Administration and with Congress to identify and modify provisions of the Internal Revenue Code requiring improvement or simplification, consistent with other important tax policy goals (including fairness, equity, minimal burden, economic efficiency, progressiveness and revenue considerations).
- Based on Treasury's ongoing review of existing Treasury and IRS administrative guidance, and Code provisions requiring new or additional guidance, improve and simplify administrative guidance, consistent with statutory language, Congressional intent, and other important tax policy considerations.

Strategic and Annual Tax Goal 2: Assist the Administration and the Secretary by providing economic and legal analyses for domestic and international tax policy decisions.

Measure: The timeliness and usefulness of policy advice and analysis provided regarding domestic and international tax policy decisions.

Strategies:

- Provide the official estimates of all Federal government receipts for the President's Budget to facilitate fiscal policy decisions and Treasury cash management decisions.
- Negotiate tax treaties for the United States to facilitate trade and investment, and tax administration.

Strategic and Annual Tax Goal 3: Assist Departmental efforts to improve retirement security and increase savings.

Measure: The timeliness and efficacy of policy advice and analysis provided regarding retirement security and incentives for savings.

Strategies:

- Continue efforts to simplify tax provisions for pension plans.
- Help develop proposals to improve of the US pension system.
- Continue current efforts, with the IRS, to develop regulations and other administrative guidance that improve the US pension system by providing appropriate worker protections, minimizing administrative burdens, and furthering other retirement policy goals.
- Continue current efforts to carefully target expansions of tax benefits for saving, such as expanded Individual Retirement Accounts, consistent with other important goals, including tax policy objectives within the framework of a balanced Budget.
- Educate the public about recently enacted tax incentives, designed to improve the prospects for economic growth in distressed areas and increase job opportunities for low-income workers (such as the Brownsfields tax incentive, second round of Empowerment zones, tax incentives for the District of Columbia, welfare-to-work tax credit); continue to support the low income housing tax credit; and continue to explore other such policies.

Economic Policy monitors macro- and micro-economic developments, and assists in determining appropriate economic policies; collects and analyzes data pertaining to international portfolio investment and foreign exchange positions; develops an overall appraisal of the current state of , and outlook for, the economy; provides written and oral briefing materials for the

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Secretary, other officials, and outsiders; participates in interagency groups working on economic matters, to develop and maintain a coordinated and consistent government-wide economic program.

Strategic and Annual Economic Goal 1: Balance the budget by 2002.

Measure: Provide the Secretary and Deputy Secretary timely and insightful analysis of factors affecting the economic and budgetary outlook, by closely monitoring economic performance, and when necessary, recommending possible adjustments to policies to account for changes in that outlook.

Strategies:

- Closely monitor economic performance and, if necessary, adjust policies to account for changes in the budget outlook resulting from changes in the economic outlook.
- Analyze proposed changes to the tax code and programs, such as Medicare, Medicaid, and welfare-to-work, in order to ascertain the effects of such changes on achieving a balanced budget.
- Analyze economic data and overall economic performance in order to project key economic variables to be used in making Federal spending and receipts projections.

Strategic and Annual Economic Goal 2: Promote long-term entitlement reform.

Measure: Analyze Administration and Congressional proposals for reform of entitlement programs, including implications for distributional impacts.

Strategies:

- Actively participate in a bipartisan process to address long-term entitlement reforms.
- Provide analyses of any Administration and Congressional proposals for long-term reform of programs, including analyses of distributional effects.
- Analyze long-term federal budgetary and deficit projections under current policy for entitlement programs.
- Help prepare and ensure the technical quality of the annual reports of the Social Security and Medicare trustees to Congress, which provide the financial projections that are the basis for evaluating reform proposals.

Strategic and Annual Economic Goal 3: Promote fair and efficient delivery of credit and other financial services and help bring residents of distressed communities into the economic mainstream.

Measure: Offer clear and insightful economic analysis, options, and recommendations on the formulation of community and economic development policies to the Secretary and Deputy Secretary, as well as to other Federal agencies and participants.

Strategies:

- Work with other Federal agencies to develop policies to move families from welfare to work.

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- Furnish economic advice to Federal agencies and other participants in the formulation of community and economic development policies.

Strategic and Annual Economic Goal 4: Improve retirement security and increase savings.

Measure: Provide the Secretary and Deputy Secretary timely and insightful analysis of the effects of Administration proposals on savings and investments.

Strategies:

- Help develop proposals to improve of the US pension system.
- Help the Department of Labor and the Pension Benefit Guaranty Corporation promote increased pension participation and retirement saving, especially among low- and moderate-income workers.
- Develop proposals to increase savings through public education efforts and possible modification of various Federal programs in this area.
- Coordinate pension reform with long-term entitlement reform to assure that the goal of adequate retirement income security is achieved in the context of an aging society.
- Provide technical support for Congressional staffs drafting proposed legislation in the area of pensions and retirement saving.

Strategic and Annual Economic Goal 5: Provide an economic and government financial policy perspective on all relevant administration issues.

Measure: Provide clear, insightful, and timely economic analysis of Administrative initiatives and input into Administration policy-making processes as requested by the Secretary and Deputy Secretary.

Strategies:

- Provide economic analysis and input into government policy-making processes and legislative proposals.
- Improve analytic capability and access to relevant data sources, including improving knowledge of research in relevant fields, staff recruiting and computer access to data.

Key External Factors Affecting Goal Achievement:

- Changes made for various policy reasons to the Internal Revenue Code often pose challenges for tax administration.
- The performance and conditions of the economy will influence and affect most of the above goals.
- During the next decades, the retirement of the baby-boomers is expected to put pressure on the Social Security and Medicare systems, particularly affecting objectives relating to retirement security.



**Enforcement
Policies and Programs**

This core business area includes the offices of the Under Secretary for Enforcement, the Assistant Secretary (Enforcement), and Foreign Assets Control.

The function of the Office of the Under Secretary for Enforcement is to oversee, strengthen and support the Treasury Department's law enforcement activities, and to facilitate communications with Executive Branch Departments, Congress, and other entities on enforcement issues. Responsibilities include: providing Departmental oversight and supervision of U.S. Customs Service, U.S. Secret Service, Federal Law Enforcement Training Center, Financial Crimes Enforcement Network, Bureau of Alcohol, Tobacco, and Firearms, Office of Foreign Asset Control, and Executive Office of Asset Forfeiture; representing the Department and its bureaus in interagency, intergovernmental, and international matters; negotiating international agreements concerning law enforcement matters on behalf of the Secretary; and, through the Under Secretary for Enforcement, serving as the Secretary and Deputy Secretary's principal adviser on law enforcement issues. Measures are in development.

Strategic and Annual Enforcement Goal 1: Strengthen Treasury's ability to ensure proper and effective oversight of bureau operations, to better ensure that the bureaus perform their missions as safely, professionally, as well and efficiently as possible.

Strategies:

- Strengthen the Office of Enforcement, which is responsible for providing oversight and support to the activities of the law enforcement bureaus, in order to ensure that such oversight and support are systematic and complete.
- Improve the bureaus' use of technology.
- Further improve training at FLETC and other law enforcement bureaus.
- Give even greater focus and attention to integrity and professionalism issues, including where necessary, the completion of special integrity and equal employment opportunity reviews.
- Conduct reviews of bureaus' internal affairs processes.
- Strengthen oversight of financial and administrative issues.
- Improve overall coordination with other Departments and law enforcement agencies.

Strategic and Annual Enforcement Goal 2: Provide policy development, guidance, and coordination for the law enforcement bureaus' activities to better ensure their achievement of goals to interdict illegal drugs, reduce violent crime, combat money laundering and other financial crimes, enforce economic sanctions, protect our nation's leaders, and provide quality training for law enforcement personnel.

Strategies:

- Continue formulation of policies and procedures to assist bureaus in achieving their goals and ensure consistency and standardization, where appropriate, throughout Treasury's law enforcement organizations.
- Improve coordination between bureaus on shared missions, including drug enforcement, money laundering, and financial crimes.
- Establish a communication center within Treasury to facilitate communication between the Department and its bureaus.

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- Serve as the principal adviser to the Secretary on law enforcement matters.

Strategic and Annual Enforcement Goal 3: Provide representation for the interests of Treasury Law Enforcement at the senior levels of the U.S. Government; in bilateral and multilateral international activities and meetings; and domestically with state, local, commercial and private organizations.

Strategy:



Ensure expert representation of Treasury's law enforcement interests, drawing on both departmental and bureau personnel as appropriate.

International Affairs Policies and Programs

This business area includes the immediate offices of the Under Secretary (International Affairs) and the Assistant Secretary (International Affairs). International Affairs Policies and Programs advises and assists the Secretary in the formulation and execution of US international financial policies. This business area covers a wide range of policy development and analysis functions involving international trade and investment; international energy; international monetary affairs; development financing; and general economic research into international financial issues. Measures are in development.

Strategic and Annual International Goal 1: Promote the implementation of sound economic policies in developing and emerging market economies.

Strategies:

- Through both bilateral and multilateral efforts, encourage sound macroeconomic policies and market-oriented economic and financial reforms focused on: privatization; liberalization of laws affecting the private sector; good governance and transparency; and an appropriate regulatory/supervisory role for the official sector.
- Promote cooperative relations with the International Financial Institutions (IFIs) and the developing and emerging economies to gain acceptance of appropriate economic reform as a condition of IFI lending.
- Participate in the following multilateral forums as instruments to encourage reform policies: the Organization for Economic Cooperation and Development (OECD) in its dialogue with transition economies; the Finance Ministers meetings of the Asian Pacific Economic Cooperation (APEC) countries; the North American Financial Group of the North American Free Trade Area (NAFTA); the Summit of the Americas process (Committee on Hemispheric Capital Markets); and the 'Six Markets Meetings' of finance ministries and central banks in Asia.
- Chair and/or participate in existing bilateral groups, such as the Joint Economic Commissions, with key economies (e.g., China, Israel, Egypt, South Africa, Turkey, Taiwan, Russia, Ukraine, and India), to promote sound and sustainable economic policy agendas.
- Develop official debt reduction efforts within the Paris Club and the IFIs.

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- Offer technical assistance to countries in transition on tax, budget, banking, and debt issues in support of market-based policies.
- Work with United States entities to encourage appropriate reform and economic activity in developing and emerging markets including: the Export-Import Bank; State Department; Overseas Private Investment Corporation; Agency for International Development; OMB chaired country risk review group; and the credit review process, chaired by the bank supervisory agencies.

Strategic and Annual International Goal 2: Strengthen the IFIs; and support their efforts to promote sustainable economic growth, development, and financial stability.

Strategies:

- Continue to press for a full range of reforms of internal operations of the IFIs, to increase their development, cost-effectiveness, and greater transparency.
- Support broad-based sustainable development and market-oriented policies including: poverty reduction; environmental sustainability; good governance; private sector development; and market-oriented reforms and adjustments through the IFI programs.
- Continue engagement and effective US leadership on the key issues before the International Monetary Fund (IMF) to promote financial stability, and advance reforms to IMF operations and programs.
- Preserve US influence and leadership in the Multilateral Development Banks (MDBs).
- Work with the MDBs to design financial and operational plans to reduce dependence on direct donor resources including: transfer of internal resources, changes in pricing, and graduation policies.
- Achieve better coordination among the IFI, and, where appropriate, harmonization of MDB practices to the highest standards.
- Promote policies and programs of the international financial institutions that are consistent with, and will help further, US foreign economic policy objectives.
- Promote US global commercial interests through ensuring direct procurement opportunities in the MDBs, advancing US exporter and investor interests through MDB lending and technical assistance activities, and further improvement of the MDB procurement process.
- Promote sound environmental policies through IFI programs, including projects which deal with environmental problems (e.g., global warming and global water use).
- Achieve timely payment of US commitments to the IFIs, and seek the earliest clearance possible of arrears to all institutions.

Strategic and Annual International Goal 3: Monitor the Global economy and promote international economic growth through cooperation on economic policy.

Strategies:

- Exercise leadership in multilateral forums including the G-7, Working Party Three of the OECD, the G-10 Finance Ministers, and the Interim and Development Committees to foster sound and credible economic policies and a stable, growing global economy.
- Actively manage bilateral relationships with other important economies to promote policies of mutual benefit.

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- Prepare up-to-date and professional analyses of the global economy in order to formulate policies that ensure the maximum sustainable rate of economic growth.

Strategic and Annual International Goal 4: Facilitate legitimate trade, enhance access to foreign markets and enforce trade agreements.

Strategies:

- Work with other agencies, including the United States Trade Representative (USTR) and the State Department, to conclude a successful, broad multilateral agreement on trade in financial services in ongoing World Trade Organization (WTO) negotiations, and enforce existing rules and agreements to eliminate or reduce foreign barriers to trade in financial services.
- Work with other agencies to achieve open regimes for trade in financial services in major economies that are not currently WTO members through bilateral negotiations in the context of their WTO accession.
- Secure foreign market access for US financial service providers through bilateral agreements and treaties.
- Enforce tied aid and minimum risk premium rules at the OECD and press for further agreements within the OECD to reduce export financing subsidies.
- Develop mechanisms, under OECD-mandated negotiations, to reduce bribery and corruption in contracts supported by export credit agencies.
- Work in OECD to evaluate the environmental impact of official export financing, and to set up an information exchange system to review current projects and environmental issues, with the ultimate goal of developing and negotiated environmental standards.
- Improve voluntary compliance with trade laws, and strengthen the ability of trade enforcement agencies to target enforcement efforts, to avoid undue interference with legitimate trade.
- Work toward international standardization of customs and other trade data, and expand electronic collection of data, in order to minimize the burden on international trade and to enhance the comparability of international trade data for analytical and enforcement purposes.
- Improve the foreign credit reporting system to better manage overall foreign debt and the collection of outstanding foreign debt.

Strategic and Annual International Goal 5: Help strengthen the stability and efficiency of global capital markets and promote a sound global policy framework for international investment.

Strategies:

- For major financial centers, encourage the reduction of risk to ensure that the international financial system is resilient enough to withstand the failure of a major financial institution or a major market break, by: (1) supporting an international agreement on principles for enhanced regulatory cooperation and the build-up of a wide and closely linked network of supervisors to address emergencies and foster comprehensive assessment of risk posed by global firms; and (2) promoting meaningful risk-based reporting and public disclosure to enhance transparency, and encourage cooperation among regulators and the private sector to

maintain high standards for effective management controls at global firms, exchanges, clearinghouses, and settlement systems.

- For emerging economies, promote the implementation of a concerted strategy to strengthen financial systems and reduce the risk of financial crises.
- Encourage the dismantling of national barriers to the free flow of capital, as well as the elimination of other unnecessary legal impediments, to promote growth and greater efficiency in global capital markets. Achieve amendment of the IMF Articles of Agreement that establishes meaningful obligations to move toward removal of restrictions, while retaining sufficient flexibility to accommodate countries' legitimate sovereign interests.
- Work with other agencies, including USTR and the State Department, to promote international investment by continuing negotiations on a Multilateral Agreement on Investment (MAI) under the auspices of the OECD, and negotiating Bilateral Investment Treaties (BIT), and agreements (BIA) with selected foreign countries and areas; and promoting investment reform in African countries.
- Promote international investment by overseeing and coordinating the review of mergers and acquisitions of US firms by foreign entities for national security implications.

Strategic and Annual International Goal 6: Pursue exchange rate policies to promote world economic growth and financial stability.

Strategies:

- Encourage pursuit of macroeconomic policies in G-7 countries consistent with achieving sustainable growth and moderate external imbalance.
- Promote flexibility of exchange rates among key currency areas in order to accommodate changes in economic fundamentals, while preserving options to resist excessive fluctuations or significant deviations from levels consistent with fundamentals.
- Analyze and interpret market signals relating to key financial and broader economic issues and risks.
- As authorized by law, deal in gold, foreign exchange, and other instruments of credit or securities considered necessary to achieve US interests.
- Cooperate with other G-7 countries, as appropriate, to promote exchange market strategy.
- Provide accurate and timely information and analysis concerning market developments.

Key External Factors Affecting Goal Achievement:

- Economic and financial shocks are difficult to predict, and the effectiveness of responses to them depends to a significant extent on the adequacy of policies adopted by other countries and the reaction of financial markets. In addition, there are the possibilities that major uncontrollable factors such as weather, war, and civil unrest will adversely affect economic performance.
- The rapid increase in volume of financial transactions, types of financial instruments, and number of global players challenges the ability of the regulatory community to keep as "modern as the market" in its efforts to promote financial stability.
- The degree of commitment of major US trading partners to strengthening regional and multilateral trading initiatives, and further opening domestic markets, will have an impact on the achievement of International Affairs goals. Partners' willingness to utilize the OECD

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Export Credit Forum to address non-financial issues with a competitive impact (e.g., environment and bribery) will determine success.



- Several objectives depend on major US trading partners' willingness to participate in efforts to standardize trade data and electronic data transmission protocols, and to exchange data on a regular basis. In addition, Treasury often depends on data provided by private vendors and foreign governments. The accuracy of this data is determined by vendor quality control and foreign statistical procedures. Also, government agencies cannot require private sector data suppliers to use electronic means of transmission.
- Failure among regulators from many different countries to agree on a flexible approach to regulatory cooperation could delay progress in establishing new or expanding existing arrangements.
- Private capital flows dwarf official resources, and the capacity of the monetary authorities to influence events largely rests on their ability to influence financial markets' expectations, which reflect economic policies and fundamentals.

Treasury-wide Management Policies and Programs

The Treasury-wide Management Policies and Programs business area includes the immediate office of the Assistant Secretary (Management) and Chief Financial Officer (CFO) of the Department of the Treasury, the offices under the Assistant Secretary and CFO, and the US Treasurer. Responsibilities include: the authorities and functions under the CFO Act of 1990; serving as the principal policy advisor on matters involving the internal management of the Department and its bureaus; coinage and currency production and security; promotion, sale and retention of savings bonds; and department-level administrative programs for human resources, security, property management, procurement and contracting, strategic planning, customer service, management analysis, and financial management.

Management Goal 1: Improve capacity to recruit, develop, and retain high caliber employees.

Measure: Under development

Strategies:

- Develop recruitment and selection strategies for hiring a high-caliber and diverse workforce, such as:
 - identify and implement best practices from government and the private sector in recruiting and hiring;
 - foster expanded knowledge and use of human resources flexibility, and explore the possibility of pursuing additional flexibility; and
 - foster partnerships in developing skill specific internships to meet recruitment needs for hard-to-fill positions.
- Enhance professional opportunities for all employees and provide for organizational succession planning. The components of this initiative can include: rotation assignments,

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sabbaticals, interagency and inter-sector opportunities, to improve technical and managerial abilities, and mentoring programs.

- Define opportunities for advancement and professional growth and make sure people know how to access them.
- Strengthen the skills of managers to lead and develop their employees, and to assess performance through such means as:
 - Technical and managerial training courses, delivered in-house or by recognized private sector entities;
 - Information and analytical tools necessary for managers to plan for future turnover, training needs and organizational restructuring;
 - An organizational culture that supports and expects performance appraisals to be timely, accurate, and to lead to appropriate outcomes.
- Reengineer human resources systems to provide better support to Treasury missions. Components of this initiative include:
 - Reengineering processes to reduce substantially the time needed to complete personnel actions;
 - Removing or reducing low value added activities to allow human resource systems to make greater contributions to achieving organizational goals; and
 - Creating automated human resources information systems that integrate comprehensive personnel, payroll, program, and finance data on human resources. ***These strategies require additional up-front investments that will later be returned by significant savings .***
- Align human resources systems and incentives to retain high performing employees and better handle under-performers in order to accomplish the agency's mission as well as provide an atmosphere for individual empowerment and well-being.
- Work with the Congress and employee representatives to obtain greater management flexibility in managing IRS human resources -- to bring on people with specific skills more quickly, to pay them more competitively, and to give them the training they need.

Management Goal 2: Strengthen Treasury's ability to ensure proper and effective oversight of bureau operations.

Annual Goal (Office of Real and Personal Property): Ensure, in partnership with the bureaus, the development of Treasurywide real and personal property management performance measures.

Measure: Percentage of Treasury bureaus which have real and personal property management performance measures.

Annual Performance Goal (Office of Security): Regularly review those Treasury bureau security programs for compliance with national and departmental policy that have been established to ensure security of Treasury's vital assets.

Measure: Review bureau security programs

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Annual Performance Goal (Office of Budget): Ensure that the Budget Request and budget allocation decisions meet the priorities identified in the Strategic Planning Process.

Measure: Percentage of Budget Request and budget allocation decisions which meet the priorities identified in the Strategic Planning Process.

Strategies:

- Use the IRS Management Board, under the leadership of the Deputy Secretary, to provide strategic leadership and ensure close oversight of IRS modernization and performance improvement efforts.
- Use the Secretary's proposed IRS Advisory Board to provide the Secretary with the expertise and perspective of outside experts on tax administration issues.
- Use the Office of Security Compliance Program, and the Treasury Terrorism Advisory Group, to ensure the Department can protect its vital assets, and respond to domestic terrorism threats, emergencies, and disasters, with a minimum of disruption to the continuity of Treasury's operations.
- Strengthen oversight and coordination efforts for coin and currency policy formulation.

Management Goal 3: Ensure strong financial management of Treasury accounts.

Annual Performance Goal (Financial Systems): Create fully integrated financial systems by standardizing core data elements Departmentwide and developing uniform integration policies, to enable all key Bureau financial data to be aggregated for improved analysis and decision making.

Measures: Standardize data elements for major financial and business processes.
Accumulate and report full costs.
Identify and eliminate intra department and inter-entity transactions.
Prepare a set of integration criteria.

Annual Performance Management Goal: Align budget, performance measurement, and accounting data to produce a cohesive financial information framework that institutionalizes a fully integrated Departmental Performance Management System that includes budget and cost data in support of the decision making process.

Measures: Develop a set of refined financial performance measure indicators that include performance-based cost accounting measures.
Provide quarterly reports.

Annual Financial Reporting Goal: Develop the systems capability and accounting methodology to provide accurate, timely, and unqualified audit opinions on Departmental financial statements, with full cost accumulation for all Treasury programs and activities, to facilitate internal analysis, resolve known high risk control issues, and external statement reporting. **Note: Standalone audit reports are required for IRS, BPD, USCS, and ATF by 3/1/00.**

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Measures: Unqualified opinion on the consolidated Treasurywide audited financial statements.
Submit Treasurywide audited Accountability Report and 4 standalone audit reports to OMB by 3/1/00.
Report on the full cost of major programs and activities (Statement of Net Cost) for inclusion in audited Accountability Report.

Annual Human Resources Goal: Recruit, develop, and retain high caliber, entry level financial staff, while broadening the skill level of existing staff, to meet the needs of a technologically advanced, highly leveraged finance office of the future.

Measures: Establish an effective entry level financial trainee program which includes cross-bureau rotation
Upgrade qualification standards for accountants and financial analysts.

Annual Leveraging Resources and Cross-Servicing Goal: Reduce the cost and or improve the quality and delivery of financial services and or program operations through the use of internal and external cross-servicing arrangements which leverage available resources.

Measures: Develop cross-servicing quality standards and criteria.
Catalog potential cross-servicing providers and arrangements available to Federal agencies.
Design an awareness program that promotes cross-servicing opportunities and advantages.
Identify and prioritized Treasury operations where cross-servicing arrangements have the highest potential for savings.
Initiate at least on project to leverage technology to provide better financial management and services at lower cost to Treasury bureaus.

Annual Capital Budgeting Goal: Implement an improved method to budget for capital improvements, through a two-appropriation budget structure (operations/ maintenance and investments) to eliminate the mismatch between the funding process and investment time frames.

Measures: Develop the concept of capital budgeting and issue a proposal for implementation.
Design a two appropriation structure.

Annual Communications Goal: Increase the Treasury Chief Financial Officers (CFO) Council's capability to communicate on all critical financial management issues and operations, through the expanded use by all bureaus of the Treasury Intranet and available web sites to share information.

Measures: Establish a "user-friendly" Treasury CFO Council Net for all bureaus, with full functionality.

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Have over 90% of all Treasury CFO Council communication, document distribution, and review/comment exercises done electronically over the Treasury Intranet.

Increase the Treasury CFO Council's outreach and training programs to over 50% of Treasury's financial staff in all the bureaus.

Strategies:

- Create fully integrated financial systems by standardizing core data elements Department-wide, and developing uniform systems integration policies, to enable all key bureau financial data to be aggregated for improved analysis and decision making.
- Implement an improved method to budget for capital improvements, through a two-appropriation budget structure (i.e., operations/ maintenance and investments), to eliminate the mismatch between the funding process and investment time-frames.
- Develop the systems capability and accounting methodology to:
 - provide accurate, timely, unqualified audit opinions on Departmental financial statements, with full cost accumulation for all Treasury programs and activities;
 - facilitate internal analysis;
 - resolve known high risk control issues; and
 - enhance external financial statement reporting.
- Reduce the cost, and improve the quality and delivery of financial services and program operations, through the use of internal and external cross-servicing arrangements which leverage available resources.
- Align performance measurement, accounting, and budgetary data to produce a cohesive financial information framework that institutionalizes the Departmental performance management and decision making process.
- Recruit and develop entry level financial staff, while broadening the skill level of, and retaining, high caliber existing staff, to meet the needs of a technologically advanced, highly leveraged finance office of the future.
- Increase the Treasury CFO Council's capability to communicate and share information on all critical financial management issues and operations with all bureaus, through expanded use of the Treasury Intranet and available web sites.

Management Goal 4: Make wise information technology investments and ensure Year 2000 compliance.

Measure: under development

Strategies:

- Fulfill the Clinger-Cohen Act by establishing information technology (IT) investment controls, and enhancing the skills of IT staff.
- Accomplish the "Century Date Change" to ensure Treasury systems will operate in the year 2000.
 - Structure and provide leadership for the Treasury Year 2000 program using sound management principles and best practices -- including successfully fulling the program's five key phrases: awareness, assessment, renovation, validation, and implementation.

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- Maintain the ongoing assessment of the vulnerability of Treasury's IT systems to the Year 2000 problem -- especially in mission critical functions -- and garner the commitment and involvement of Treasury's senior executives to mobilize the needed resources, both personnel and financial.
- Modify Treasury's corporate telecommunications infrastructure, as required, to ensure Year 2000 compliance.
- Create a Treasury IT architecture framework which provides a common, multipurpose, and standards-based infrastructure. This architecture will act as a high level blueprint to make certain that all Treasury IT systems are compatible and structured to provide maximum program benefit.
- Carefully apply IT investments to improve program performance.
 - Explore possible new processes to achieve program goals, rather than simply automating existing paper processes.
 - Procure IT systems in increments and ensure full testing of new systems.
 - To the extent possible, buy off-the-shelf systems.
 - Integrate information gathering and storage with other agencies.
- Implement the Treasury Communication System (TCS) Vision by consolidating voice, data, and video technologies, and using web-based technology for programs and services.
- Strengthen data processing capabilities by improving the quality, integrity, reliability and responsiveness of Treasury data centers, while minimizing costs by reducing the number of Treasury data centers used in data processing, to achieve Data Center Consolidation.
- Incorporate IT security as an essential part of the systems development life cycle process, and ensure that IT security policies and standards remain current to reflect technology changes.

Management Goal 5: Procure quality goods and services at a fair and reasonable price and in a timely manner.

Annual Performance Goal (Office of Small and Disadvantaged Businesses): Foster partnerships with customers and stakeholders to achieve objectives.

Measure: Participate in outreach conferences.

Strategies:

- Aggressively adopt acquisition reforms and innovations to improve acquisition processes, and support Treasury's mission.
- Seek opportunities to increase participation by small, minority, and women-owned businesses in Treasury procurement.
- Monitor the overall quality of the Treasury procurement system, through the Treasury Procurement Performance Measurement Model (which addresses eleven performance goals and measures), and any other appropriate means.

Management Goal 6: Expand equal opportunity and minority programs.

Measure: Under development

Strategies:

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- Expand the pool of minority applicants by establishing partnerships with schools, including those having large minority populations, maximizing the use of technology (Internet and Intranet), and using existing organizations to leverage recruitment.
- Identify and apply best practices utilized by government and private industry in attracting minority applicants and employees.
- Adopt strategies and implement programs that are aimed at training, retaining, and promoting a diverse workforce.

Management Goal 7: Provide advice and assistance to the Secretary relative to currency and coinage production and security, and promote the sale and retention of savings bonds.

Measure: Under development

Strategies:

- Oversee the manufacturing operations of the US Mint and the Bureau of Engraving and Printing.
- Review currency redemptions and sign currency.
- Maintain liaison with community and business leaders relative to promoting the Savings Bond Program.
- Represent the Treasury Department on major media programs and in other public forums.
- Participate in the interagency Steering Committee on Advanced Counterfeiting Deterrence.

Management Goal 8: Improve customer service.

Annual Performance Goal (Office of Organizational Improvement): Ensure Treasury and its bureaus meet published Customer Service Standards.

Measure: Percentage of customers service standards met by Treasury and its bureaus (including the total number of published standards.)

Strategies:

- Ensure that all of Treasury's internal and external customers are covered by customer service standards with reliable performance measures; and make certain that these standards and measures are communicated to the customers.
- Solicit, on a regular basis, input from Treasury's customers on whether the standards reflect what is important to them and their level of satisfaction.
- Based on customer feedback and coordination among Treasury bureaus, address areas where improved customer service is needed or implement suggestions to improve customer service. This could include policy reviews or reallocating resources. Where appropriate, adjust standards and measures to reflect what is important to Treasury's customers.

Management Goal 9: Foster partnerships with customers and stakeholders to achieve objectives.

Measure: Under development

Strategies:

- Work with regulated businesses to bring their expertise to bear on finding ways to reduce burden and improve program effectiveness.
 - Find ways to cut obsolete regulations.
 - Reward results, not red tape.
 - Where possible, negotiate with industry, rather than dictating to it.
- Ensure that labor and management work together to maximize both employee and organizational success.
- Team up with other Federal agencies and with State and local governments to achieve common goals. Effectively pool expertise, information and resources. For example, Treasury is involved in the following partnership initiatives:
 - Cooperating in numerous law enforcement cooperative working groups (e.g., the Organized Crime Drug Enforcement Task Forces) that bring collective skills and resources to bear on fighting crime.
 - Developing national-level security policies that promote Treasury interests and protect Treasury's vital assets-- its personnel, facilities, information, and Information Technology systems-- in coordination with counterparts in other agencies/departments and in interagency groups.
 - Participating in a "Results Act Banking Regulatory Working Group" consisting of representatives of the Office of Thrift Supervision, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the National Credit Union Administration. This group was formed to explore collaborative efforts and information sharing in areas such as safety and soundness issues, information systems, and Community Reinvestment Act activities.

Management Goal 10: Continue to reinvent and modernize operations to achieve efficiencies.

Annual Performance Goal (Office of Strategic Planning): Ensure Treasury and its bureaus are in compliance with the GPRA for strategic plans, annual performance plans, and annual performance reports.

Measure: Percentage of Treasury bureaus in compliance with GPRA requirements.

Annual Performance Goal (Office of Treasury Reinvention): To leverage the NPR reinvention principles and goals to gain results on the NPR Phase II Bold 7 initiatives and 3 cross-cutting issues.

Measure: Bold 7 Initiatives and 3 cross-cutting issues continue to make progress (as defined in the Bold 7 report) in achieving projected savings and meeting our goals.

Strategies:

- Depend on performance-based management rather than traditional control procedures.
 - Engage in strategic planning to reach a common understanding of program goals and strategies to achieve those goals.
 - Set specific annual performance goals and measure and report success.
 - Budget and manage the organization to achieve performance goals, and reward success.

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- To enable effective use of performance based management, work to enhance the quality of program performance measures including improving data reliability and validity.
- Flatten organizational structures and push resources, personnel and decision making to the front-line.
- Take advantage of opportunities to achieve savings through franchising, outsourcing, consolidating support services, and redeploying unnecessary headquarters and overhead staff.
- Use common-sense procurement policies. Aggressively take advantage of procurement reforms to improve procurement systems and achieve savings.
- Assist the Department and its bureaus in identifying ways to fulfill their missions more economically and efficiently, while better meeting their customers' needs, and maintaining or strengthening safeguards against fraud and abuse.

Key External Factors Affecting Achievement of Goals:

- Regulatory or enforcement concerns: Departmental Offices will devise policies and procedures to ensure a proper balance between enforcement and customer service concerns.
- Changes in the demographics and the expectations of the labor force will require crafting human resources programs that are multifaceted and flexible.
- Formerly, Federal hiring overcame disadvantages of lower salary rates by offering greater career stability. As the Federal workplace comes more and more to resemble the private workplace in rapidity of change, a flexible and supportive workplace which empowers managers and employees to succeed in challenging work becomes more critical in attracting and retaining the best and the brightest staff.
- New accounting requirements and related legislative actions. Any modifications or additions to accounting standards and financial systems, promulgated by the Federal Accounting Standards Advisory Board (FASAB), the Joint Financial Management Improvement Program (JFMIP), the Congress, or other governing bodies, could affect the cost and preparation of required audited financial statements.
- There may be instances where the needs of two different customers are in conflict with, or contradict, each other. In these cases, Departmental Offices will try to meet the needs of the customers as much as is practical.

ADMINISTRATIVE SUPPORT SERVICES

The Office of Administration provides coordinated enabling support services to Departmental Offices' six core business areas. In resource presentations, such as budget requests or performance measurement charts, the costs and personnel required to provide these services are distributed to the offices served, to provide a better projection of total cost of operation of each business area. The Office of Administration has developed an internal strategic and performance plan that ensures administrative support services for Departmental Offices.

Vision Statement

The Office of Administration is acknowledged as a responsive, cooperative, and proactive organization which provides optimum service, by supporting and participating in a partnership role with its customers to achieve mutual goals, and by supporting the missions of Departmental Offices. The organization is characterized by:

Customer Service We enable customers to meet their missions by helping them become informed consumers, providing quality products on time, anticipating customer needs, and being responsive to customer feedback.

Caring Employees are valued and respected for their individual contributions and diversity. They are empowered to meet their full potential in supporting the Administration mission while achieving their personal goals. The work environment is comfortable and pleasant. There is strong team atmosphere where acceptable risk and creativity are encouraged.

Change We are recognized as a viable organization that provides quality and timely responses to our customers. We create an environment where: we anticipate and welcome the reality of change, with a friendly attitude; we are a catalyst for change; we support risk taking; we help employees make changes; we learn from change; we adapt to technology; and we manage the creative tension that comes from the change process.

Mission Statement

The Office of Administration provides a range of high quality administrative services at the best value. We enable our employees to maximize their diverse skill levels and potential. We hold them accountable for their efforts in serving our customers. Our services encompass: procurement, information resource management, financial management, facilities management, and other administrative and management services. We rapidly adapt our services, to meet our customer's changing needs in an environment of increasingly scarce resources and greater complexity, by re-engineering, redesigning and streamlining our processes, and by eliminating unnecessary administrative burden.

Organizational Structure

The Office of Administration is managed by the Deputy Assistant Secretary for Administration, who reports to the Assistant Secretary for Management/Chief Financial Officer/Chief Operating Officer. The Office is comprised of the following divisions and offices:

Administrative Operations Division <u>Disclosure Services</u> <u>Library & Information Services</u> <u>Travel & Special Events</u> <u>Security, Safety & Parking</u> <u>Switchboard</u> <u>Secretary's Dining Room</u> <u>Records Management and Resources</u>	Automated Systems Division <u>Automated Systems Development</u> <u>Operations</u> <u>IRM Services</u> <u>Telecommunications</u> <u>User Services</u>
Facilities Management Division <u>Personal Property</u> <u>Motor pool & Mail Services</u> <u>Building Operations</u> <u>Architect</u>	Financial Management Division <u>Accounting Office</u> <ul style="list-style-type: none">- Salaries & Expenses/International Affairs- Special Programs & Analysis- Financial Systems <u>Budget & Planning Office</u> <ul style="list-style-type: none">- Budget Formulation & Strategic Planning- Budget Execution- Multi-year & Special Programs
Procurement Services Division <u>Domestic and International Contracts</u> <ul style="list-style-type: none">-Systems Acquisition-International Programs-Program and Management Support-Facilities Support	Office of the Curator
Printing and Graphics Division <u>Printing Management</u> <u>Printing Procurement</u> <u>Printing Reproduction</u> <u>Graphics</u>	

The Office of Administration has developed the following enabling support service objectives, strategic goals, and annual performance goals and measures to support implementation of Departmental Offices' strategic goals.

ENABLING SUPPORT SERVICE OBJECTIVE (1) PROVIDE RESPONSIVE, INTEGRATED, ADMINISTRATIVE SUPPORT PROGRAMS.

Strategic Goal 1: Deliver timely, effective and integrated products and services, at best value, which meet customer needs.

Strategic Goal 2: Strengthen the skills of managers to lead and develop their employees; and define, or enhance, opportunities for advancement and professional growth.

ENABLING SUPPORT SERVICE OBJECTIVE (2) MODERNIZE OUR INFORMATION TECHNOLOGY TO PROVIDE STATE-OF-THE- ART TECHNICAL TOOLS.

Strategic Goal 1: Enhance and upgrade online resources to improve research and technical services.

Strategic Goal 2: Pursue integrated information systems for administrative operations.

Strategic Goal 3: Eliminate obsolete information technology and implement programs that avoid obsolescence.

ENABLING SUPPORT SERVICE OBJECTIVE (3) PROVIDE A WORKING ENVIRONMENT THAT IS COMFORTABLE, CLEAN, SAFE, AND ACCESSIBLE, WHILE PRESERVING THE HISTORICAL INTEGRITY OF THE BUILDINGS.

Strategic Goal 1: Upgrade building systems.

Strategic Goal 2: Provide cyclical maintenance.

Strategic Goal 3: Identify and restore historically significant spaces and features.

PROGRAM EVALUATIONS

Long-Range Planning: Within the context of the strategic planning process, Departmental Offices performs internal evaluations of all core business areas via periodic reviews of strategic and annual performance goals and measures. This is conducted in conjunction with formulation of annual budget requests, and mid-year and end-of- year budget execution review processes. During these reviews, program officials review their strategic and annual performance goals and measures relative to their budgetary needs. Managers decide whether specific long-range strategic and annual performance goals, strategies, and measures should be revised, enhanced, or abandoned, and whether resources are adequate to support planned goals.

Management Controls Program: Management control, in the broadest sense, includes the plan of organization, methods and procedures adopted by management to ensure that its goals are met. Management controls include processes for planning, organizing, directing, and controlling program operations.

Proper stewardship of Federal resources is a fundamental responsibility of Departmental Offices' managers and staff. Federal employees must ensure that government resources are used efficiently and effectively to achieve intended program results. Resources must be used accountably, consistent with agency mission, in compliance with law and regulation, and with minimal potential for waste, fraud, and mismanagement.

Management accountability is the expectation that managers are responsible for: the quality and timeliness of program performance, increasing productivity, controlling costs, mitigating adverse aspects of agency operations, and assuring that programs are managed with integrity and in compliance with applicable law. Thus, management controls are an integral part of the entire cycle of planning, budgeting, management, accounting, and auditing. They support the effectiveness and integrity of every step of the process and provide continual feedback to management.

Departmental Offices uses annual assurance statements provided by each senior official, as a program evaluation and reporting tool. Each September, senior officials are asked to review their operations and provide the bureau head with a statement regarding the achievement of management controls objectives within their purview. These statements are used by the bureau head to support a similar overall statement to the Secretary.

Departmental Offices also tracks Congressional Directives, and OIG and General Accounting Office audit findings and recommendations. Applicable program officials are requested to provide an action plan relative to directives, findings and recommendations. The impact of directives, findings, recommendations, and corrective actions were considered during the development of the goals and strategies included in this Plan.

Annual Financial Statements Audits: The results of Departmental Offices annual financial statements audits, as required by the Government Management Reform Act, were reviewed and considered in developing the goals and strategies included in this Plan. Audits of Departmental Offices' financial statements are scheduled to be completed by March 1 of each fiscal year.

DEPARTMENTAL OFFICES' STRATEGIC BUSINESS PLAN

DEPARTMENTAL OFFICES' ORGANIZATIONAL STRUCTURE

